

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

v.

REYNALDO DE LA CRUZ;
RENILDA DE LA CRUZ;
9211 ROOSEVELT AVE CORP.;
NORTHEAST BANK; and
SUFFOLK COUNTY, NEW YORK

Defendants.

Case no. 2:19-cv-3310

COMPLAINT

The United States of America, at the direction of a delegate of the Attorney General and with the authorization of a delegate of the Secretary of the Treasury, pursuant to 26 U.S.C. § 7401, brings this civil action to (1) reduce to judgment unpaid federal tax liabilities owed by defendants Reynaldo de la Cruz and Renilda de la Cruz, jointly and severally; (2) reduce to judgment unpaid federal tax liabilities owed by defendant Reynaldo de la Cruz; (3) enforce federal tax liens against certain real property in New York, described below; and (4) determine that defendant 9211 Roosevelt Ave Corp. is the alter ego of Renilda de la Cruz for the purpose of imposing her liability on it. In support of this action, the United States alleges:

Jurisdiction, Parties, and Property

1. This Court has jurisdiction over this civil action pursuant to Sections 1331, 1340, and 1345 of Title 28 of the United States Code and Sections 7402(a) and 7403 of the Internal Revenue Code.

2. Defendant Reynaldo de la Cruz resides in Suffolk County, New York, within the jurisdiction of this Court.

3. Defendant Renilda de la Cruz resides in Suffolk County, New York, within the jurisdiction of this Court.

4. Defendant Northeast Bank is named as a defendant because it has or may claim an interest in the property described below.

5. Defendant 9211 Roosevelt Ave Corp. is named as a defendant because it has or may claim an interest in the property described below.

6. The real property upon which the United States seeks to enforce its tax liens (the “Property”) is located in this district at 92-11 Roosevelt Avenue, Jackson Heights, New York, and is legally described, as follows:

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough and County of Queens, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of Roosevelt Avenue, distant 80 feet westerly from the corner formed by the intersection of the northerly side of Roosevelt Avenue, with the westerly side of 93rd Street;

RUNNING THENCE westerly along said side of Roosevelt Avenue 19.67 feet;

THENCE northerly at right angles to the northerly side of Roosevelt Avenue, and part of the distance through a party wall, 62 feet

THENCE westerly, parallel with the northerly side of Roosevelt Avenue, 4 inches;

THENCE northerly, again at right angles to the northerly side of Roosevelt Avenue, 38 feet;

THENCE easterly, parallel with the northerly side of Roosevelt Avenue, 20 feet;

THENCE southerly, again at right angles to the northerly side of Roosevelt Avenue and part of the distance through another party wall, 100 feet to the northerly side of Roosevelt Avenue, at the point or place of BEGINNING.

Subject to: taxes and assessments, mortgages, easements, right of ways, ditches and drains, restrictions, covenants, conditions, limitations, roads and highways, zoning ordinances, and all other restrictions of record.

Meaning to describe the property conveyed to 92-11 Roosevelt Ave. Corp. by Bargain and Sale Deed With Covenants of Renilda de la Cruz, dated May 14, 2012, and recorded with the Office of the City Register of the City of New York on July 19, 2012 as Document No. 2012051400585001.

**Count I: Reduce to Judgment Reynaldo and Renilda de la Cruz's
Joint Federal Tax Liabilities**

7. A delegate of the Secretary of the Treasury made joint assessments against Reynaldo de la Cruz and Renilda de la Cruz for federal income taxes and fraud penalties for the periods, on the dates, and in the amounts described below. Those liabilities have balances due as of May 24, 2019, including assessed and accrued late-filing and late-payments penalties under 26 U.S.C. § 6651 and penalties for failure to make estimated tax payments under 26 U.S.C. § 6654, costs, and statutory interest, and after applying any abatements, payment, and credits, as follows:

Tax Year	Assessment Date	Assessment Type	Assessment Amount	Balance due as of 5/31/2019
2005	07/20/2009	Tax Assessed	\$191,683.00	\$410,411.69
2006	08/17/2009	Tax Assessed	\$45,081.00	\$96,328.50
2007	06/08/2009	Tax Assessed	\$21,591.00	\$6,862.43
2008	08/03/2009	Tax Assessed	\$2,242.00	\$21,823.76
	05/05/2014	Additional Tax Assessed	\$7,621.00	
	05/05/2014	Fraud Penalty (IRC § 6663)	\$5,266.00	
2009	11/29/2010	Tax Assessed	\$259.00	\$16,924.29
	05/05/2014	Additional Tax Assessed	\$6,929.00	
	05/05/2014	Fraud Penalty	\$4,575.00	
2011	02/24/2014	Tax Assessed	\$3,811.00	\$7,207.79
2012	02/24/2014	Tax Assessed	\$5,423.00	\$10,048.29
Total Balance Due as of 05/31/2019				\$569,606.75

8. Notice of the liabilities described in paragraph 7 was given to, and payment demanded from Reynaldo de la Cruz and Renilda de la Cruz.

9. Despite the notices of the liabilities and demands for payment, Reynaldo de la Cruz and Renilda de la Cruz failed, neglected, or refused to pay in full the liabilities described in paragraph 7, and after the application of all accruals, abatements, fees and costs, payments, and credits, they remain indebted to the United States for those tax periods in the amount of \$569,606.75, plus statutory additions from May 31, 2019.

Count II: Reduce to Judgment Reynaldo de la Cruz's Federal Tax Liabilities

10. A delegate of the Secretary of the Treasury made assessments against Reynaldo de la Cruz for federal income taxes for the periods, on the dates, and in the amounts described below. Those liabilities have balances due as of May 31, 2019, including assessed and accrued late-filing and late-payments penalties under 26 U.S.C. § 6651 and penalties for failure to make estimated tax payments under 26 U.S.C. § 6654, costs, and statutory interest, and after applying any abatements, payment, and credits, as follows:

Tax Year	Assessment Date	Assessment Type	Assessment Amount	Balance due as of 5/31/2019
2014	07/20/2009	Tax Assessed	\$1,494.00	\$2,613.78
2015	08/22/2016	Tax Assessed	\$983.00	\$1,624.81
Total Balance Due as of 05/31/2019				\$4,238.59

11. Notice of the liabilities described in paragraph 10 was given to, and payment demanded from, Reynaldo de la Cruz.

12. Despite the notices of the liabilities and demands for payment, Reynaldo de la Cruz failed, neglected, or refused to pay in full the liabilities described in paragraph 10, and after the application of all accruals, abatements, fees and costs, payments, and credits, he remains indebted to the United States for those tax periods in the amount of \$4,238.59, plus statutory additions from May 31, 2019.

Count III: Enforce Federal Tax Liens Against The Property

13. The United States incorporates the allegations in paragraphs 1 through 12 by reference.

14. On February 26, 2003, Renilda de la Cruz obtained the Property by Bargain and Sale Deed With Covenant Against Grantor's Acts of 92-11 Roosevelt Corp. (by Victor Cintron), which was recorded with the Office of the City Register of the City of New York on March 11, 2004, as Document No. 2003030301277001.

15. On May 14, 2012, Renilda de la Cruz transferred the Property to 9211 Roosevelt Ave Corp., as described in paragraph 6, above, for no or nominal consideration.

16. Because Reynaldo de la Cruz and Renilda de la Cruz neglected, refused, or failed to pay in full the assessments for tax years 2005-2007, and the initial assessments for tax years 2008-2009, as listed in paragraph 7, above, after notice and demand, federal tax liens arose in favor of the United States pursuant to 26 U.S.C. §§ 6321 and 6322 on the dates of the assessments and attached to all of Reynaldo de la Cruz and Renilda de la Cruz's property and rights to property, including the Property. Because 9211 Roosevelt Ave Corp. did not give full consideration in money or money's worth, the transfer was made subject to the federal tax liens for years 2005-2007 and the initial assessments for years 2008-2009.

17. On or about February 25, 2011, the IRS, in accordance with Section 6323(f) of the Internal Revenue Code, filed notices of federal tax lien with the Register's Office of Queens County, New York with respect to the unpaid federal tax liabilities of Reynaldo de la Cruz and Renilda de la Cruz for tax years 2005-2007 and the initial assessment for 2008. Because the notice was filed prior to the conveyance of the Property, the transfer was made subject to the tax

liens for years 2005-2007 and the initial assessment for 2008 regardless of whether 9211 Roosevelt Ave Corp. gave full consideration for the Property.

18. The United States is entitled to enforce the federal tax liens for tax years 2005-2007, and for the IRS's initial assessments for tax years 2008 and 2009, against the Property, pursuant to Section 7403 of the Internal Revenue Code and to have the entire property sold, pursuant to Section 7403(d) of the Internal Revenue Code, free and clear of all claims, liens, or interests of the parties, including any rights of redemption with the proceeds distributed first to pay the costs of sale, including any expenses incurred to secure and maintain the Property; second, to any real estate taxes due and owing to Suffolk County, New York, as permitted by Section 6323(b)(6) of the Internal Revenue Code, to the United States or as otherwise determined by the Court.

Count IV: Determine that 9211 Roosevelt Ave. Corp. is Liable as the Alter Ego of Renilda de la Cruz and Enforce Federal Tax Liens Against the Property.

In the event that the net proceeds of the sale of the Property exceed the liabilities subject to collection from the Property under Count III above, the United States seeks to collect the remaining liabilities of Renilda de la Cruz from 9211 Roosevelt Ave Corp. as the alter ego of Renilda de la Cruz, as follows:

19. The United States incorporates the allegations in paragraphs 1 through 18 by reference.

20. On information and belief, Renilda de la Cruz is the sole individual with authority over the finances of 9211 Roosevelt Ave Corp.

21. On information and belief, Renilda de la Cruz has intermingled the funds of 9211 Roosevelt Ave Corp. and her personal funds.

22. On information and belief, Renilda de la Cruz has used the funds of 9211 Roosevelt Ave Corp. for her personal benefit.

23. On information and belief, Renilda de la Cruz has used 9211 Roosevelt Ave Corp. as her alter ego.

24. On or about March 29, 2018, the IRS, in accordance with Section 6323(f) of the Internal Revenue Code, filed notices of federal tax lien with the Register's Office of Queens County, New York as to "9211 Roosevelt Ave Corp as Alter Ego of Renilda de la Cruz" with respect to the unpaid federal tax liabilities of Reynaldo de la Cruz and Renilda de la Cruz set forth in paragraph 8.

25. As 9211 Roosevelt Ave. Corp. is the alter ego of Renilda de la Cruz, the United States is entitled to hold it liable for Renilda de la Cruz's tax liabilities for tax years 2005-2012 against the Property and thereupon either to enforce the ensuing judgment lien against the Property or to enforce the federal tax liens against it, pursuant to Section 7403 of the Internal Revenue Code, and to have the entire property sold, pursuant to Section 7403(d) of the Internal Revenue Code, free and clear of all claims, liens, or interests of the parties, including any rights of redemption with the proceeds distributed first to pay the costs of sale, including any expenses incurred to secure and maintain the Property; second, to any real estate taxes due and owing to Suffolk County, New York, as permitted by Section 6323(b)(6) of the Internal Revenue Code, to the United States or as otherwise determined by the Court.

**Count V: Set Aside Renilda de la Cruz's Transfer of the Property
as a Fraudulent Conveyance**

In the alternative to Count IV (the alter ego count), the United States seeks to set aside Renilda de la Cruz's conveyance of the Property to 9211 Roosevelt Ave. Corp. as a fraudulent conveyance, as follows:

26. The United States incorporates the allegations in paragraphs 1 through 25 by reference.

27. On information and belief, Renilda de la Cruz is the sole individual with authority over the finances of 9211 Roosevelt Ave Corp.

28. Renilda de la Cruz did not receive reasonably equivalent value for the purported conveyance of the Property described in paragraph 15.

29. The conveyance of the Property described in paragraph 15 was not an arm's-length, commercial transfer.

30. Renilda de la Cruz knew at the time of the purported conveyance of the Property described in paragraph 6 that she had incurred a substantial federal income tax liability.

31. The conveyance of the Property described in paragraph 15 was constructively fraudulent to the United States and the Internal Revenue Service, as defined by Section 273 of the New York Debtor and Creditor Law.

32. On information and belief, Renilda de la Cruz knew at the time of the purported conveyance of the Property described in paragraph 6 that she intended to continue failing to pay her federal income tax liability in full.

33. Renilda de la Cruz transferred the Property to 9211 Roosevelt Ave. Corp., a corporation over which she has substantial, if not total, control and authority, knowing that the transfer was for insufficient consideration.

34. Renilda de la Cruz made the purported conveyance of the Property described in paragraph 6 with the actual intent to hinder, delay, or defraud the United States and the Internal Revenue Service, as defined by Section 276 of the New York Debtor and Creditor Law.

35. Insofar as the proceeds of sale are not exhausted by the payment of the tax liabilities for tax years 2005-2007 and the initial assessments for tax years 2008-2009, as set forth in paragraph 7, above, pursuant to Section 278 of the New York Debtor and Creditor Law, the United States is entitled to disregard the conveyance of the Property as described in paragraph 15 and to enforce the federal tax liens for the additional liabilities against it, and have the remaining proceeds be used to satisfy Reynaldo and Renilda de la Cruz's tax liabilities for the additional tax assessments for tax years 2008-2009, and their liabilities for tax year 2011.

WHEREFORE, the plaintiff United States of America requests the following relief:

A. Judgment in favor of the United States and against Defendants Reynaldo and Renilda de la Cruz, jointly and severally, for federal income tax liabilities for tax years 2005-2009 and 2011-2012, in the amount of \$569,606.75, plus statutory additions from and after May 31, 2019, including interest as allowed by Sections 6601, 6621, and 6622 of the Internal Revenue Code and Section 1961(c) of Title 28 of the United States Code;

B. Judgment in favor of the United States and against Defendant Reynaldo a de la Cruz for federal income taxes in the amount of \$4,238.59, plus statutory additions from and after May 31, 2019, including interest as allowed by Sections 6601, 6621, and 6622 of the Internal Revenue Code and Section 1961(c) of Title 28 of the United States Code;

C. A determination that the United States had valid and subsisting federal tax liens, pursuant to Section 6321 of the Internal Revenue Code, upon all property and rights to property belonging to Reynaldo and Renilda de la Cruz, including the Property prior to its conveyance and that said conveyance was made subject to the liens;

D. An order enforcing federal tax liens upon the Property and allowing the sale of the entire Property at a judicial sale (including by a receiver if requested by the United States), free

and clear of all rights, titles, or interests of the parties, including any rights of redemption, with the proceeds of the sale distributed: first, to pay the costs of the sale, including any expenses incurred to secure and maintain the Real Property; second, to the defendant Suffolk County, New York, to pay any real estate taxes due and owing which are entitled to priority under 26 U.S.C. § 6323(b)(6); third, to the plaintiff United States to pay Reynaldo and Renilda de la Cruz's tax liabilities for tax years 2005-2007, and for the initial assessments of tax in tax years 2008-2009, except to the extent that the Court determines that another party has a superior claim, lien, or interest;

E. Judgment that 9211 Roosevelt Ave Corp. is an alter ego of Renilda de la Cruz, and therefore liable for her tax liabilities, and that the United States' federal tax liens that attached to all property and rights to property of Renilda de la Cruz also attached to property of 9211 Roosevelt Ave Corp., and that, as such, the federal tax liens for Renilda de la Cruz's tax liabilities for tax years 2005-2012 can be enforced against the Property;

F. Judgment determining that the transfer of the Property to 9211 Roosevelt Ave Corp. constitutes a fraudulent conveyance under N.Y. Debt. & Cred. Law §§ 273, 275, and 276 and therefore the United States can disregard the conveyance under N.Y. Debt. & Cred. Law § 278 and enforce federal tax liens against the Property; and,

G. The United States shall recover its costs, and be awarded such other and further relief as the Court deems just and equitable, including its attorneys fees for this action under N.Y. Debt. & Cred. Law § 276-a.

Respectfully submitted,

THE UNITED STATES OF AMERICA

RICHARD E. ZUCKERMAN
Principal Deputy Assistant Attorney General
Tax Division, U.S. Department of Justice

By: /s/ Bradley A. Sarnell
BRADLEY A. SARNELL
ARIE M. RUBENSTEIN
Trial Attorney
Tax Division, U.S. Department of Justice
P.O. Box 55
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202-307-1038 (v)
202-514-5238 (f)
Bradley.A.Sarnell@usdoj.gov

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

United States of America

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Bradley A. Sarnell, U.S. Department of Justice, Tax Division
PO Box 55, Washington, DC 20044
(202) 307-1038

DEFENDANTS

Reynaldo de la Cruz; Renilda de la Cruz; 9211 Roosevelt Ave Corp.;
Northeast Bank; and Suffolk County, New York

County of Residence of First Listed Defendant **Suffolk**
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question
(U.S. Government Not a Party)
- ☐ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/ Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	LABOR	FEDERAL TAX SUITS	
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	<input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
26 U.S.C. 7401

Brief description of cause:

Reduce tax liabilities to judgment and enforce federal tax liens

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
573,845.34

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE

06/04/2019

SIGNATURE OF ATTORNEY OF RECORD

/s/Bradley A. Sarnell

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

I, Bradley Sarnell, counsel for Plaintiff United States of America, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- ☒ monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- ☐ the complaint seeks injunctive relief,
- ☒ the matter is otherwise ineligible for the following reason **Tax matter**

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that "A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County? No
- 2.) If you answered "no" above:
 - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes
 - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County? _____

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

☐ Yes

☒ No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

☐ Yes

(If yes, please explain)

☒ No

I certify the accuracy of all information provided above.

Signature: /s/Bradley A. Sarnell

Signature of Clerk or Deputy Clerk

Civil Action No. 2:19-cv-3310

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Signature of Clerk or Deputy Clerk

Civil Action No. 2:19-cv-3310

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Signature of Clerk or Deputy Clerk

Civil Action No. 2:19-cv-3310

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Signature of Clerk or Deputy Clerk

Civil Action No. 2:19-cv-3310

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

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